AMENDED IN SENATE JUNE 28, 2010
AMENDED IN SENATE JUNE 16, 2010
AMENDED IN ASSEMBLY JUNE 1, 2010
AMENDED IN ASSEMBLY APRIL 29, 2010
AMENDED IN ASSEMBLY APRIL 7, 2010

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

ASSEMBLY BILL

No. 1975

Introduced by Assembly Member Fong

February 17, 2010

An act to add Section 17922.14 to the Health and Safety Code, and to add Chapter 8.5 (commencing with Section 537) to Division 1 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 1975, as amended, Fong. Water charges and meters: multiunit structures.

(1) The Water Measurement Law requires every water purveyor to require, as a condition of new water service on and after January 1, 1992, the installation of a water meter to measure water service. That law also requires urban water suppliers to install water meters on specified service connections, and to charge water users based on the actual volume of deliveries as measured by those water meters in accordance with a certain timetable.

This bill, contingent upon adoption by the California Building Standards Commission of specified building standards, would require that architectural plans for individual dwelling units in certain multiunit

AB 1975 -2-

structures, for which a building permit application is submitted on or after January 1, 2013, include, as a condition for the issuance of the building permit, the installation of either a water meter or a submeter, at the discretion of the water purveyor, with a specified exception, to measure water supplied to each individual dwelling unit. The bill would require the owner of the structure, or his or her agent, to charge occupants for water service based on the actual volume of water delivered as measured by the water meter or submeter, subject to requirements relating to approval, installation, and operation of the water meter or submeter. The bill would require the owner of the structure to ensure that a water submeter installed for these purposes complies with laws and regulations governing installation, certification, maintenance, billing, and testing of water submeters. The bill would prohibit a water purveyor from imposing specified fees related to the installation of water meters and submeters and would prohibit the owner of the structure, or an association managing the structure, from assessing or collecting fees related to the water meters and submeters, from the occupants of the structure.

(2) The California Building Standards Law provides for the adoption of building standards by state agencies by requiring all state agencies that adopt or propose adoption of any building standard to submit the building standard to the California Building Standards Commission for approval and adoption.

This bill would require the Department of Housing and Community Development to develop and submit building standards for the installation of water meters and submeters in residential units within a multiunit residential structure or a mixed-use residential and commercial structure, as specified. This bill would also require that proposed building standards include exemptions for certain types of residential structures and where installation is deemed infeasible. The bill would require the commission, prior to adopting these proposed building standards, to determine that a sufficient number of water meters and submeters are available in the market.

The bill would also require the department, commencing on January 1, 2011, to convene a task force to develop recommendations for legislation to establish standards and procedures governing the practice of assessing and charging occupants of multiunit structures for water usage by building owners and homeowners' associations for purposes of the water metering requirements imposed by the bill. The bill would require the department to report the final recommendations of the task

-3- AB 1975

force to the Legislature no later than December 31, 2011, and would declare legislative intent to subsequently enact comprehensive legislation relating to assessment and collection by owners and associations of charges and fees associated with water meters and submeters.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17922.14 is added to the Health and 2 Safety Code, to read:

17922.14. (a) During the next regularly scheduled building standards annual code adoption cycle commencing on or after January 1, 2011, the department shall develop and submit, pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5, building standards for the installation of water meters and submeters in residential units within a multiunit residential structure or mixed-use residential and commercial structures for purposes of Section 537 of the Water Code.

- (b) (1) The department shall determine circumstances under which the installation of water meters or submeters shall be deemed infeasible, and provide an exemption for these circumstances in the proposed building standards.
- (2) The building standards proposed by the department pursuant to this section shall provide an exemption, at a minimum, for each of the following:
 - (A) Low-income housing.
- (B) Student dormitories.

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- (C) Senior living facilities.
- 21 (D) Time-share property, as defined in subdivision (aa) of 22 Section 11212 of the Business and Professions Code.
 - (c) The commission, prior to adopting the building standards proposed pursuant to this section, shall collaborate with other state entities, including, but not limited to, the Division of Measurement Standards, to determine whether a sufficient supply of water meters and submeters are available in the market for purposes of compliance with the proposed building standards.
- 29 (d) (1) Commencing on January 1, 2011, the department shall convene a task force to develop recommendations for legislation

AB 1975 —4—

to establish standards and procedures governing the practice of assessing and charging occupants of multiunit structures for water usage by building owners and associations, as defined in subdivision (a) of Section 1351 of the Civil Code, for purposes of Chapter 8.5 (commencing with Section 537) of Division 1 of the Water Code. The task force shall be composed of representatives of tenant organizations, property owners, water purveyors, and other interested parties. The task force shall develop its final recommendations by June 30, 2011.

- (2) The department shall report the final recommendations of the task force to the Legislature no later than December 31, 2011.
- (e) (1) The requirement for submitting a report imposed under paragraph (2) of subdivision (d) is inoperative on December 31, 2015, pursuant to Section 10231.5 of the Government Code.
- (2) A report to be submitted pursuant to paragraph (2) of subdivision (d) shall be submitted in compliance with Section 9795 of the Government Code.
- SEC. 2. Chapter 8.5 (commencing with Section 537) is added to Division 1 of the Water Code, to read:

CHAPTER 8.5. MULTIUNIT STRUCTURES

537. (a) (1) Architectural plans for individual dwelling units in a newly constructed multiunit residential structure or a mixed-use residential and commercial structure for which the application for a building permit is submitted on or after January 1, 2013, shall include, as a condition for the issuance of the building permit, the installation of either a water meter or a

submeter, at the discretion of the water purveyor, to measure water supplied to each individual dwelling unit.

- (b) (1) The owner of a structure described in subdivision (a), or his or her agent, shall charge occupants for water service. This charge shall be based only on the actual volume of water delivered to the dwelling unit as measured by the meter or submeter installed pursuant to subdivision (a).
- (2) Notwithstanding paragraph (1), a water purveyor shall not require installation of a submetering system for a multiunit residential structure or mixed-use residential and commercial structure that is a part of a common interest development, as defined in subdivision (c) of Section 1351 of the Civil Code.

5 AB 1975

(2) The owner of a structure described in subdivision (a), or his or her agent, shall not charge an occupant for water service pursuant to this subdivision, unless the meter or submeter used to measure the water delivered to the dwelling unit is of a

- (b) A meter or submeter used to measure the water supplied to the dwelling unit pursuant to this chapter shall be of a type approved pursuant to Section 12500.5 of the Business and Professions Code and—is shall be installed and operated in compliance with regulations established pursuant to Section 12107 of the Business and Professions Code.
- (c) (1) An owner of a structure described in subdivision (a) shall ensure that each submeter installed pursuant to subdivision (a) complies with all laws and regulations governing installation, certification, maintenance, *reading*, billing, and testing of water submeters. The owner shall be responsible for any costs associated with this paragraph.
- (2) This section—shall not be construed to require a water purveyor to does not require a water purveyor to fund or assume responsibility for ensuring compliance with any law or regulation governing installation, certification, maintenance, reading, billing, and testing of water submeters and associated onsite plumbing.
- (d) A water purveyor shall not charge an owner of a structure described in subdivision (a), or his or her agent, a-fee for the installation fee, charge, or assessment, either directly or indirectly, for the installation, approval, connection, or use of a water meter or submeter that is installed by the owner or his or her agent. This subdivision shall not be construed to restrict the authority of a water purveyor to collect fees or charges for meters or connection and installation of meters, or other fees or charges associated with maintaining water service as described in the water purveyor's authorized tariffs or rates.
- (e) An owner of a structure described in subdivision (a), or an association, as defined in subdivision (a) of Section 1351 of the Civil Code, that manages a structure described in subdivision (a), shall not assess or collect from occupants any charges or fees associated with the installation, certification, maintenance, reading, billing, and testing of water meters or submeters for purposes of this chapter.
- 538. It is the intent of the Legislature that this chapter should not be construed to impose costs on any local government agency,

AB 1975 -6-

1 except to the extent that the local government agency is a water 2 purveyor subject to subdivision (a) of Section 537.

539. This chapter shall become operative upon the adoption by the California Building Standards Commission of building standards pursuant to Section 17922.14 of the Health and Safety Code.

SEC. 3. It is the intent of the Legislature to enact subsequent comprehensive legislation to authorize an owner of, or an association, as defined in subdivision (a) of Section 1351 of the Civil Code, that manages, a structure described in subdivision (a) of Section 537 of the Water Code to assess and collect from occupants charges and fees associated with water meters and submeters for purposes of Chapter 8.5 (commencing with Section 537) of Division 1 of the Water Code and to establish standards and procedures governing the practice of assessing and collecting charges and fees associated with water meters and submeters from occupants of structures governed by Chapter 8.5 (commencing with Section 537) of Division 1 of the Water Code.